Teri Ambs

From: Richard Fitzpatrick <richard@cannabisstandardsinstitute.com>
Sent: Tuesday, March 11, 2014 11:22 AM
To: Teri Ambs
Subject: HB 5104
Attachments: CSI Testimony on HB 5104 to SenateGovOppsCom.docx

Ms. Ambs,

I would appreciate it very much if you could distribute copies of my testimony on HB5104 to each of the members of the Committee - and to any others who are interested.

Thanks you.

Richard Fitzpatrick
Cannabis Standards Institute

Testimony of the Cannabis Standards Institute

What the sponsors of Michigan's Cottage Food Law understood - that some supporters of HB 5104 don't get

Senate Committee on Government Operations
Lansing
11 March 2014

Good Afternoon, I am Richard Fitzpatrick and I am the President of the *Cannabis Standards Institute (CSI)*. We were formed on the belief that where medical cannabis is legal and regulated; patients deserve access to quality medicine that is labeled with accurate, useful and independently-verified information.

HB 5104 is the simplest, and should be the least controversial, medical marihuana bill you will see this session; and, it is the most essential.

No rationale exists for the extremely narrow definition of "useable marihuana" used in the *People v. Carruthers* case. It is important for HB 5104 to pass and reestablish the many beneficial options for delivering the active ingredients in marihuana to patients who are unwilling or unable to smoke.

There are a few, mostly technical, recommendations we will suggest later when the Committee considers amendments. However, there is a sizeable ($200,000,000) matter of immediate concern.

Just prior to passage, an amendment was added exempting the production of marihuana infused food products from the regulations they would have if cannabis were not an ingredient. This was done by a line that says "A MARIHUANA-INFUSED PRODUCT SHALL NOT BE CONSIDERED A FOOD FOR PURPOSES OF THE FOOD LAW." {Section 3 (F)}

It is hard to comprehend the justification for this change. CSI has been actively involved in cannabis regulation in nearly a dozen states and we have never seen such an exclusion proposed.

Those who advocate for regulated medical and adult access are usually the ones advocating <u>for</u> cannabis to be regarded as a food. We believe it should be treated the same as other regulated herbal and nutritional products.

Medical Marihuana ought to be a physician-recommended, botanical medicine alongside other accepted alternative and herbal medicines. For that to happen, its growing, processing and labeling must be done to the equivalent standards so that patients have an assurance of purity, consistency of dosage and full disclosure of active ingredients.

There is general agreement that cannabis should not be a Schedule I controlled substance. Still, it does have to fit into some regulatory classification. For it to be under the general category of food, in the herbal, nutritional supplement class (following the regulations of the federal Dietary Supplement Health and Education Act of 1994) makes sense.

In 2009, it became obvious Michigan's overly zealous food safety rules were preventing many businesses from starting-up -- at a time the state's economy needed all the help it could get.

Then-**State Rep. John Proos** (*R-St. Joseph*) sponsored HR 5280 to ease Michigan's tough food safety laws to allow for easier operation of small-scale food production. It was co-sponsored by then state Representatives **Arlan Meekhof** and **David Hildenbrand**, among others.

Their legislation didn't take the simplistic approach and merely exempt smaller, home-based businesses from all consumer safety regulations. It allowed budding entrepreneurs to sell food products made in their own kitchens as long as they followed simple, common-sense safety, packaging and labeling requirements.

The bill passed with a strong, bipartisan majority of those who wanted to open up the marketplace for small businesses but still assure public safety.

It was signed by Gov. Jennifer Granholm and became **Michigan's Cottage Food Law** {PA 113 of 2010}. The law exempts a "cottage food operation" from the full licensing and inspection provisions of the Michigan Food Law. At the same time, it has teeth to prevent fraud and deception by prohibiting the misbranding, adulteration, and sloppiness in manufacture, distribution, and sale of food products. A cottage food operation still must comply with the labeling, packaging, testing and other provisions found in the Michigan Food Law, as well as other applicable state or federal laws, or local ordinances.

The sponsors saw that it wasn't an **either/or** choice - it wasn't a choice between either bureaucratic red tape or a totally unregulated market with no built-in protection for the public health.

Rather, it was a matter of **and/also** - a common-sense set of rules **and also** an assurance of public safety. By providing this relaxed set of regulations, Michigan has seen an explosion of small producers selling at farmers' markets, fairs, festivals and roadside stands across Michigan.

Unexplainably, HB 5104 (with this amendment) exempts food products made with cannabis from having to even meet the simple standards of the Cottage Food law. But why? Do some believe that the infusion of cannabis purifies a product?

How will you explain to a constituent that if they want to make and sell jams or cookies, brownies or fudge, on a small scale, they will need to follow the safety regulations of the Cottage Food Act - UNLESS they add marihuana to their recipe - then, they can sell it as medicine to certifiably-ill patients (often ones with a compromised immune system) and will not have to follow state or local health code?

Furthermore, the Cottage Food Law includes a strict limit to the amount of money you can make selling the lightly-regulated cottage foods (previously $15,000 per year in gross sales; now it is $20,000; and the limit will increase again 12/31/2017 to $25,000 per year).

At the same time, the sale of infused medical marihuana products in Michigan can be realistically projected to be near **$200 million per year**. {118,368 registered patients/typically consuming one ounce a month/@ average of $320 per ounce/38% of that being non-smokeable infused products} Why should this exist without even the minimal regulations of the Cottage Food Law?

For safety and credibility, medical marihuana-infused products should comply with all of the requirements for similar products not containing marihuana. The amendment adopted on the floor of the House needs to be removed and clarifying language such as this, added:

Amend page 9, line 9 striking out the balance of the subdivision and replace with

(2) ALL MEDICAL MARIHUANA-INFUSED PRODUCTS SHALL BE PROCESSED, TESTED, PACKAGED AND LABELED ACCORDING TO REQUIREMENTS FOR SIMILAR PRODUCTS NOT CONTAINING MARIHUANA, INCLUDING BUT NOT LIMITED TO THE MICHIGAN FOOD LAW (PA 92 OF 2000, AS AMENDED); MICHIGAN'S COTTAGE FOOD LAW (PA 113 OF 2010, AS AMENDED);AND THE MICHIGAN MODIFIED FOOD CODE.

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